

THE COMMONWEALTH OF MASSACHUSETTS DEPARTMENT OF INDUSTRIAL ACCIDENTS

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PRESS RELEASE

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DIA UNCOVERS WORKER'S COMP LAW VIOLATION

Saugus tree removal co. faces steep fines, ordered to stop work

The Department of Industrial Accidents (DIA) has taken the unprecedented steps of seeking both a criminal complaint and a temporary restraining order against a Saugus tree removal business that has refused to comply with the workers' compensation law.

This move comes after an agency investigation launched in August led to the discovery of AAA Tree Climbers in Saugus not carrying workers' compensation insurance for its eight employees. As a result of being in direct violation of M.G.L. c. 152, §25A, AAA Tree Climbers was issued a Stop Work Order (SWO) and was ordered to cease operations until a workers compensation policy was in place. Company owner Daniel Hibbard of Saugus refused to comply with the SWO and continued to operate his business. This violation prompted DIA to seek legal remedies in the Lynn District Court as well as the Salem Superior Court.

"We are not going to allow any employer to flout the law," said John Zimini, director of investigations for the DIA. "This employer [AAA Tree Climbers] uses heavy equipment including front-end loaders and commercial chain saws. In this line of dangerous work, not having a policy and then ignoring a Stop Work Order is nothing short of a disaster in the making."

State law requires all employers who have one or more workers to have a valid workers' compensation policy at all times. AAA Tree Climbers is facing fines of \$250 per day until they comply with the law. The company is facing fines to date in excess of \$18,000, a number climbing each day they do not have workers' compensation insurance. In addition, the criminal complaint filed by DIA can carry additional fines of up to \$1,500 and up to one year in jail.

Jane C. Edmonds, Director of Workforce Development, which oversees the DIA, praised DIA's discovery as well as the agency's work to beef up enforcement. "We will not stop with this one company," she said. "We have investigators on the job using a wide range of tools that will help prevent needless injury to workers and rein in workmen's comp costs."

When an employer fails to carry workers' compensation and one of their workers is injured on the job, the State must pay the claim through the Workers' Compensation Trust Fund (WCTF). Last year the WCTF paid close to \$4,000,000 in benefits to injured workers due to their employers failure to carry the proper insurance policy. When the WCTF has to pay for an uninsured claim, the DIA will seek to recoup those funds by suing the employer.

For further information, please contact Bill Taupier at 617-727-4900 ext. 560.

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